

Creating & Maintaining New Market Channels for Specialty Food Producers Based in Michigan's Tourism Industry

The project was ultimately very successful as a whole. The specialty food retail sales events at community festivals were moderately successful at best. The Michigan Department of Agriculture (MDA) would not likely continue this aspect of the project in future years. The "Traveling Trade Shows" or first part of the project was extremely successful and there is a high demand for these activities to continue in the future. The Specialty Food Processors Advisory Committee, formed as a result of this grant, is considering ways to continue these trade shows and make them even more successful in the future.

Formed Specialty Food Processors Advisory Committee

In order to obtain input and direction for this project, MDA formed an advisory committee consisting of the following members;

Tim Powers, Asparagus Enterprises
David Conner, Blueberry Store
Evan Smith, Food For Thought
Frann Carlson, Bean Appetit
Mike Ross, RMG Family Sugar Bush
Jill Bentgen, Mackinaw Straights Fish Company
Terry Morrison, Michigan Food Processors Association

These individuals were identified as leaders in their respective major segments of the specialty food industry in Michigan. The committee participated in conference calls and served as a sounding board to provide input while planning our traveling trade shows. This committee will also serve as the base group for the Specialty Food sub-committee of the Michigan Food Processors Association.

Organized Three Traveling Trade Shows

MDA organized three traveling trade shows that featured Michigan gourmet and gift-quality specialty foods items. The original project proposal called for four traveling shows, however, as a result of input from the industry advisory committee, only three shows were held. The reasons behind this decision were that the area to be covered is not so large that buyers wouldn't travel to the shows. This turned out to be excellent advice, in fact in future years, only two shows will be held, one in Grand Rapids, one in Traverse City. Buyers from the metro Detroit area traveled to the two shows in the locations identified even though there was a show in closer proximity to their businesses. This is likely due to the fact that the buyers attended the show during a weekend mini-vacation.

These trade shows were being held in three of the most popular tourist destinations in the state. Retailers who target these tourists as primary customers have found it convenient to be able to review Michigan food products virtually in their own back yard. The trade show dates and locations were as follows,

April 6 th , 2003	Northville Downs Clubhouse, Northville MI
April 28 th , 2003	Leelanau Sands Casino, Suttons Bay MI
May 19 th , 2003	Frederik Meijer Gardens & Sculpture Park, Grand Rapids MI

Attached is a list of exhibitors at each of the shows to this report. Both the Northville and Suttons Bay shows are held concurrently and in close proximity to existing "gift" shows featuring non-food products. The organizers of both of these shows expressed an interest in incorporating a specialty food "pavilion" into their existing show, however, there has been a good response from specialty food processors and there would not have been enough booths available to meet demand. In future years, these shows now plan to incorporate food products as a part of their gift show due to the response generated from both food processors and retailers who are excited about the quality and availability of Michigan food products that they were previously not aware of.

MDA has recruited both exhibitors and attendees to these shows. Our means of advertising the shows included a direct mailing to 9,000 retail gift shops, hotels, resorts, gift basket companies, gourmet food stores and other gift quality food retailers. A second mailing was sent out to a more targeted list and phone calls were placed prior to each trade show to high profile well established gift stores.

The show in Northville was a moderate success. Attendance was light, as many buyers who had made reservations did not show up. We also had three exhibitors that did not show up. We believe there are several reasons for low attendance, the primary reason being a severe ice storm the night prior to the show and a very large number of residences in the area were without electricity. In spite of low attendance, quality was excellent as buyers who did attend were there to place orders and most exhibitors came away with new contacts and very promising leads for future sales.

The show in Traverse City was the most successful of the three. The location was by far the best in a conference facility adjacent to a local casino. The room was high on a ridge overlooking Traverse Bay. Not only was this facility by far the best, it was the most economical, only costing \$325 to rent the facility for the full day. The other two facilities that were not nearly as nice charged more than 10 times this price. In future years, we will certainly target casinos and other facilities that view the banquet rooms to be a secondary part of their business as prime locations.

The show itself drew the largest crowd of buyers. Traffic flow was heavy all day long and most all exhibitors experienced good sales. Many of the small and beginning companies that were exhibiting were overwhelmed with by the orders placed that day.

Grand Rapids' show was also highly successful at the Frederik Meijer Gardens & Sculpture Park. There were more exhibitors at this show than either of the first two. The hours of the show were also shortened down to four hours. This seemed to be a good improvement as traffic stayed consistently busy but not overwhelming. The buyers in attendance repeatedly claimed to have been looking for locally produced products but had no organized venue in which to examine and purchase food products produced by local processors. The three shows truly opened new marketing channels in the tourism based retail sector for Michigan specialty food processors. Nearly six months after the last show, we were still taking weekly calls and e-mails from the exhibitors asking when the next shows will be scheduled for!

List of Trade Show Exhibitors

Schuil Coffee Company
Fry Krisp
The J.B. Dough Co.

MBG Marketing
Ashby Sterling Ice Cream
Williams Cheese Company
Benjamin Twiggs
Cherry Republic
Fireside Coffee
Leelanau Coffee Roasting
Big North Specialty Foods
White River Sugar Bush
Hungry Chef, LLC
Tassos Epicurean Cuisine
Mrs. DeVaney's Gourmet Foods
Trifles
Tilper's Pickle
Frozen Creek Farm
Safie Specialty Foods
Brownwood Farms
Maiden Mills
Mickey & T's, Inc.
Billy Bones BBQ
Mary Ann's Chocolate's
Achatz Hand Made Pie Company
Jabars Complements
Hasselman's Honey
Grand Rapids Popcorn Co.
Deli Style Jerky
The Almond Hut
Bountiful Journey
Bur Oak Farm LLC
Westwind Milling Co.
Fruit Ridge Growers
Leland Cherry Company



Traverse City “The Blueberry Store”



Traverse City “Jabar’s Complements”

Phase II, Take Home a Taste of Michigan Retail Events

The second component of this project was a series of Michigan Specialty food retail events in coordination with local community festivals and art fairs. MDA identified 15 target festivals worked to recruit specialty food retailers in those cities that would be willing to host and co-sponsor these market development activities.

MDA recruited companies that are in close proximity to each of the local festival grounds who have not marketed product in coordination with the local tourist festival in the past. Recruitment efforts consisted of an initial flyer that was mailed to all area food retailers in communities with up-scale festivals and art fairs, followed by personal phone calls and in many cases, personal visits by MDA staff. Surprisingly, many retail stores were unwillingly to host a “Taste of Michigan” event even with

all costs being covered by MDA. The weekends of the festivals are already very busy for these stores and many managers did not feel they would be able to do an adequate job if they were to also run a promotion on the festival grounds separate from their store location. Never the less, the following events were coordinated and took place;

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| June 14 & 15 | Ludington's Harbor Festival – Sweet Apple Sue's gourmet store was the participating partner. The event was a tremendous success according to Sue. She ran out of all products that she was featuring and sampling. This was the first time she has done a feature/sampling on the festival grounds and she has already booked a spot for next year! |
| June 28 & 29 | Howell Balloon Festival – Taorello's Marketplace partnered for the first of the promotions they agreed to complete. This is a very up-scale store that caters to many chefs and consumers who are not price sensitive. The event was also a success. Taorello's agreed to pass out coupons on the festival grounds that could be redeemed at the store. They counted the coupons redeemed and reported a tremendous increase in traffic at the store during the festival. |
| June 27 – 29 | Meadowbrook Food & Wine Festival – MDA partnered with the Michigan Grape & Wine festival to organize a Specialty Food & Michigan Wine retail tent at the festival. Nearly 10,000 consumers came through the tent during the four day festival. This is an activity that MDA will certainly work to host again in future years. |
| July 26 | Dusty's Cellars Taste of Michigan – Dusty's Cellars decided to host their event separate of the major festival in Lansing as management felt the target market for specialty food products could be reached better through a separate event advertised independently. The event drew a crowd of nearly 1,500 people and sales were brisk during the promotion. Store management reported this to be the best promotion they have ever held. |
| August 1 & 2 | Soppin' Jubilee – Your Michigan Connection from Northville, MI hosted this Taste of Michigan promotion. This activity was moderately successful as attendance at the festival in general was very low this year due to inclement weather. |
| August 22 – 24 | Howell Melon Festival – Taorello's Marketplace hosted their second Michigan specialty food promotion of the year during this festival. This event was even better than their first as customers were back to their booth specifically asking for the "Michigan Made" food that was there during the first festival. Taorello's has committed to continuing this type of activity in the future without MDA support due to the increase in sales experienced during the promotions. |

As can be clearly seen, the activities that could be conducted were overwhelmingly successful. Typical comments received back from cooperating partners included "I couldn't believe the demand for locally produced food" and "we are featuring locally produced food products in our store every weekend the rest of the summer now." We do not have a clear explanation as to why more retail partners were not interested in partnering with MDA to conduct these promotions. We believe that there will be more local food promotions next summer as a result of the successful projects from this summer. MDA is advertising the successes accomplished at these festivals in newsletters and during

the course of business with potential retail partners with the hope of encouraging these events to take place again next year.

The following are pictures taken during a few of the specialty food promotions.



Dusty's Cellar's "Taste of Michigan" event.



Meadowbrook "Mean Jean Mustard Company"



Meadowbrook "Brownwood Farms"

MDA appreciates the opportunity to conduct this project as a result of the FSMIP program. Without the support of Federal programs such as the Federal State Market Improvement Program, new market channels would not be opened and the assistance provided to new and beginning food processing businesses would not be available. Thank you for your support.